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Moscow's banking scheme

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The Central Intelligence Agency managed to block the Soviet Union from surreptitiously acquiring three banks in Northern California and purchasing an interest in a fourth.

But there is reason to suspect the Soviets may have succeeded in secretly completing similar transactions elsewhere in the United States.

Amos Dawe, who claims knowledge of such deals, is said to have told federal investigators that Moscow has penetrated American banks.

Mr. Dawe, a Singapore businessman, reportedly refused to reveal where and when. But if anyone outside the Soviet Union knows about such matters, it clearly is Mr. Dawe.

The New York Times recently identified him as the Soviets' intermediary in the aborted California scheme, for which financing was provided by the Moscow Norodny Bank.

Inasmuch as the Soviet Union is chronically short of hard currency, the Kremlin assuredly did not view the California banks as an investment for its surplus cash.

The targeted banks are in the Silicon Valley area and have provided financing for high technology products that may not be exported legally to the Soviet Union.

Evidently Moscow realized that control of the banks could provide access to sensitive American blueprints.

According to *The Times*, the scheme collapsed when the CIA leaked word of the Soviets' intentions to a financial newsletter.

As Sen. Daniel Patrick Moynihan, Democrat of New York, observed in a Senate speech, it took "fine investigative work and some luck" to foil the Soviet plot.

But the United States cannot afford to depend on luck for national security.

The Reagan administration has taken some action to prevent Eastern-bloc nations from obtaining advanced American technology. But the administration's measures are insufficient to thwart such sophisticated industrial espionage as secret bank takeovers.

Federal officials responsible for approving changes in bank ownership are supposed to receive certain information about prospective purchasers.

In view of Soviet activities, the banking authorities ought to have considerably more data than they do now.

A bill Mr. Moynihan introduced this month is a step in the right direction. It would require disclosure of a bank purchaser's nationality and authorize a $100,000 fine and imprisonment of 10 years for failure to provide the information.

Moreover, the bill would flatly prohibit control of a bank by the Soviet Union or any other nation that falls under provisions of the Export Administration Act.

Mr. Moynihan is worried about the Eastern bloc's efforts to steal new technology. But there is another reason for concern about Soviet penetration of banks.

It now is apparent that the Soviets have been obtaining cash through Western banks to finance various ventures at home and abroad.

Roger W. Robinson Jr., former senior director of the National Security Council, has explained how six banks the Soviets are known to own in the West have benefited from the flow of so-called "interbank" funds.

The Soviets have 100 percent control of these banks in London, Paris, Frankfurt, Luxembourg, Zurich, and Vienna. Through interbank transactions, the six institutions obtain funds from other Western banks at unusually low interest rates.

As Mr. Robinson suggested in a recent speech at The Heritage Foundation, "It would be very illuminating for the administration and Congress to get a better handle on the role of interbank deposits in the funding of the Soviet Union's global activities."

Indeed, the United States ought to consider asking its European allies to limit Soviet banking activities on their soil.

As American electronic warfare research and other high technology programs progress, the Soviets may turn increasingly to subterfuge in a desperate attempt to keep up.

Preventing, or at the very least limiting, Soviet infiltration of the banking system ought to be a principal component of the West's security program.

Stephen Green is a nationally syndicated columnist.